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September 24, 2019

Honorable James L. Garrity, Jr.
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, NY 10004-1408

Re: Penny Ann Bradley, Chapter 11, Case No. 18-10122(JLG)

Hon. Judge Garrity:

This letter is written to update the Court of the status of the above-referenced Chapter 11 case.

The Debtor's last status letter was filed with the Court on August 7, 2019 [Docket No. 155]. On August 14, 2019 a status conference was held, the Minutes of which were entered on the Court's docket on August 29, 2019 [Docket No. 165]. Additionally, on August 14, 2019, the motion of NSM82, LLC seeking the appointment of a trustee was adjourned (the "NSM82 Motion"), as also set forth in the Minutes.

The adjourned status conference and the NSM82 Motion had been scheduled for October 1, 2019. Yesterday, September 23, 2019, a Notice of Adjournment of Case Status Conference was filed [Docket No. 171], and the status conference has been adjourned to November 6, 2019 at 11:00 a.m. It is currently anticipated the NSM82 Motion will also be adjourned to November 6, 2019, and the Debtor will advise the Court once the status of NSM82's motion is more definite. As you requested, NSM82's counsel will be preparing a discovery plan with respect to the NSM82 Motion, and the parties will engage in discovery related thereto. Once that discovery plan is circulated and signed by all parties, it will be filed with the Court.

Since the filing of the last status letter on the following developments have transpired:

On September 19, 2019, Lewis H. Berman, LLC ("Berman") filed a motion seeking the appointment of an operating trustee (the "Berman Motion") [Docket No. 167], as well as a joinder to the NSM82 Motion [Docket No. 131]. The Debtor intends to oppose the Berman Motion. The Berman Motion currently appears on the Court's calendar on October 30, 2019 at 11:00 a.m., but the parties will discuss whether the motion should be adjourned to the Court's November 6, 2019, subject to Court approval. The Debtor's special counsel has been in discussions with Berman and its counsel regarding the Berman Motion and has negotiated a resolution with Berman's counsel both prior to the filing of the Berman Motion and currently continuing.

Unfortunately, despite extensive efforts with Atlas and its counsel, a settlement was not reached.

On September 23, 2019, the Debtor filed a motion objecting to the claim of Atlas Union Corp. [Docket No. 172], and the hearing for the motion is scheduled for November 6, 2019 at 11:00 a.m.

With regard to various administrative issues, please note the following:

- On August 8, 2019, the Court entered an Order approving of the retention of LaMonica Herbst & Maniscalco, LLP as Special Counsel for the Debtor [Docket No. 156];
- The deadline for creditors to file Proofs of Claim, August 22, 2019, has passed. Prior to the deadline, Proofs of Claim were filed by, *inter alia*, Atlas Union Corp. [Claim No. 3] and NSM82, LLC [Claim No. 4];
- The Debtor has filed her Monthly Operating Report for July, 2019. The Monthly Operating Report for August, 2019 has just become due, and it is anticipated that the reports will be filed shortly;
- The delay in filing the Debtor's amended schedules is due to the tax returns not being completed. However, the Debtor is now working on amending the schedules and will amend such schedules shortly and file those amendments with a reservation of rights that the schedules may be further amended after the tax returns are filed.
- The Debtor has filed her Statement of Current Monthly Income (i.e. as of the Filing Date) [Docket No.169].

If the Court wishes, I will be pleased to submit any further status updates at such times as the Court may direct.

Respectfully,
/s/ Daniel S. Alter
Daniel S. Alter, Counsel for the Debtor

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